

Single Audit Section

COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2012

Federal Agency	Direct or Pass-Through Funding Agency	Federal
CFDA # / Federal Program Name	Grant Number	Expenditures
County Department		

U.S. DEPT. OF HEALTH & HUMAN SERVICES

93.600 Head Start Program	\$5,006,306
----------------------------------	--------------------

Regional Planning Comm.--Head Start Fund	U.S. Dept. of Health & Human Services Grant #05/CH/6105/18 (3/12-2/13)	\$3,745,422
------------------------------------------	---------------------------------------------------------------------------	-------------

Regional Planning Comm.--Head Start Fund	U.S. Dept. of Health & Human Services Grant #05/CH/6105/19 (3/11-2/12)	\$1,260,884
------------------------------------------	---------------------------------------------------------------------------	-------------

93.568 Low Income Home Energy Assistance Program	\$3,728,436
---------------------------------------------------------	--------------------

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity LIHEAP Grant #11-224042 (11/10-6/12)	\$1,369,270
------------------------------	-------------------------------------------------------------------------------------	-------------

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity LIHEAP Grant #12-224042 (11/11-6/13)	\$1,669,962
------------------------------	-------------------------------------------------------------------------------------	-------------

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant #11-221042 (11/10-6/12)	\$444,002
------------------------------	---------------------------------------------------------------------------------------------	-----------

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant #12-221042 (7/12-6/13)	\$245,202
------------------------------	--------------------------------------------------------------------------------------------	-----------

93.104 Community Mental Health Services for Children with Serious Emotional Disturbances	\$1,850,285
-------------------------------------------------------------------------------------------------	--------------------

Mental Health Board--Access Initiative Fund	IL Dept. of Human Services Grant #45CQ042237 (10/11-9/12)	\$1,358,272
	(to subrecipients--	\$1,163,446)

Mental Health Board--Access Initiative Fund	IL Dept. of Human Services Grant #45CRB00099 (10/12-9/13)	\$492,013
	(to subrecipients--	\$205,986)

93.569 Community Services Block Grant	\$526,401
----------------------------------------------	------------------

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #11-231038 (1/11-3/12)	\$55,304
------------------------------	-----------------------------------------------------------------------------	----------

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #12-231038 (1/12-3/13)	\$471,097
------------------------------	-----------------------------------------------------------------------------	-----------

93.563 Child Support Enforcement Title IV-D	\$245,312
----------------------------------------------------	------------------

State's Attorney	IL Dept. of Healthcare & Family Services Grant #2011-55-013-K1A (7/11-6/12)	\$144,547
------------------	--------------------------------------------------------------------------------	-----------

State's Attorney	IL Dept. of Healthcare & Family Services Grant #2011-55-013-K2A (7/12-6/13)	\$77,912
------------------	--------------------------------------------------------------------------------	----------

(Continued on next page.)

COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2012

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
----------------------------------------------------------------------	-------------------------------------------------------	-------------------------

U.S. DEPT. OF HEALTH & HUMAN SERVICES (continued)

93.563 Child Support Enforcement Title IV-D (continued)	
----------------------------------------------------------------	---------

Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2011-55-007-K2AE (7/11-6/12)	\$10,986
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2011-55-007-K3AE (7/12-6/13)	\$0
Sheriff	IL Dept. of Healthcare & Family Services (7/11-6/12)	\$6,531
Sheriff	IL Dept. of Healthcare & Family Services (7/12-6/13)	\$5,336

93.069 Public Health Emergency Preparedness	\$89,369
----------------------------------------------------	-----------------

County Public Health Board	IL Dept. of Public Health Grant #27181009 extension (8/11-6/13) (to subrecipients--	\$76,358 \$76,358)
County Public Health Board	IL Dept. of Public Health Grant #37180009A (8/12-6/13) (to subrecipients--	\$13,011 \$13,011)

93.575 Child Care and Development Block Grant	\$39,776
------------------------------------------------------	-----------------

Regional Planning Comm.--Head Start Fund	IL Dept. of Human Services (7/11-6/12)	\$39,776
Regional Planning Comm.--Head Start Fund	IL Dept. of Human Services (7/12-6/13)	\$0

93.283 CDC Investigations and Technical Assistance	\$0
-----------------------------------------------------------	------------

County Public Health Board	IL Dept. of Public Health West Nile Virus Grant #15380173 (4/11-3/12)	\$0
----------------------------	--------------------------------------------------------------------------	-----

93.518 Affordable Care Act - Medicare Improvements for Patients and Providers	\$6,120
--------------------------------------------------------------------------------------	----------------

Regional Planning Commission	IL Dept. of Insurance Senior Services (7/12-11/12)	\$3,400
Regional Planning Commission	IL Dept. of Insurance Senior Services (7/11-9/12)	\$2,720

U.S. DEPT. OF ENERGY

81.042 ARRA - Weatherization Assistance for Low Income Persons	\$675,804
-----------------------------------------------------------------------	------------------

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #09-491042 (7/09-6/12)	\$675,804
------------------------------	-----------------------------------------------------------------------------	-----------

(Continued on next page.)

COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2012

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
----------------------------------------------------------------------	-------------------------------------------------------	-------------------------

U.S. DEPT. OF ENERGY (continued)

81.042 Weatherization Assistance for Low Income Persons	\$179,985
----------------------------------------------------------------	------------------

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #10-403042 (7/11-6/12)	\$93,360
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #10-404042 (7/12-6/13)	\$86,625

81.128 ARRA - Energy Efficiency and Conservation Block Grant	\$126,597
---------------------------------------------------------------------	------------------

Regional Planning Commission	IL Assoc. of Regional Councils / IL DCEO Grant #10-451001-005 (5/10-3/12) (to subrecipients--	\$118,272 \$135,487)
Public Properties	Champaign County Regional Planning Comm. Grant #864-17 (10/10-3/12)	\$0
Zoning and Enforcement	U.S. Dept. of Energy Energy Efficient, CNSRV Grant #864-09 (2/11-3/12)	\$8,325

U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT

14.238 Shelter Plus Care Program	\$299,396
-----------------------------------------	------------------

Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I #IL0039C5T031104 (12/13)	\$107,344
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I #IL0039C5T031003 (7/11-6/12)	\$21,739
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I #IL0039C5T031103 (7/11-6/12)	\$165,096
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care III #IL01C703001 (3/11-2/12)	\$1,136
Regional Planning Commission	U S. Dept. of Husing & Urban Development Shelter Plus Care III #IL01C703001 (3/12-2/13)	\$3,442
Regional Planning Commission	U.S Dept. of Housing &Urban Development Shelter Plus Care III #IL0487C5T031100 (5 year grant)	\$639

14.239 HOME Investment Partnerships Program	\$217,270
----------------------------------------------------	------------------

Regional Planning Commission	City of Urbana H.O.M.E. Program Subgrant (11/4/10-11/3/12)	\$63,972
------------------------------	---------------------------------------------------------------	----------

(Continued on next page.)

COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2012

Federal Agency	Direct or Pass-Through Funding Agency	Federal
CFDA # / Federal Program Name	Grant Number	Expenditures
County Department		

U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT (continued)

14.239 HOME Investment Partnerships Program (continued)

Regional Planning Commission	City of Urbana H.O.M.E. Program Subgrant (2/10 - 6/13)	\$153,298
Regional Planning Commission	City of Urbana H.O.M.E. Program Subgrant (7/11-6/12)	\$0
Regional Planning Commission	City of Urbana Tenant Rental Assistance (7/11-6/12)	\$0

14.870 Resident Opportunity and Supportive Services - Service Coordinators \$28,705

Regional Planning Commission	Housing Authority of Champaign County Grant #2577-0229	\$28,705
------------------------------	-----------------------------------------------------------	----------

14.218 Community Development Block Grant / Entitlement Grant \$31,500

Regional Planning Commission	Village of Rantoul Court Diversion (7/11-6/12)	\$5,237
Regional Planning Commission	City of Urbana Senior Service (7/11-6/12)	\$4,100
Regional Planning Commission	City of Champaign Senior Home Repair Program (7/11-6/12)	\$10,831
Regional Planning Commission	City of Champaign Senior Home Repair Program (7/11-6/12)	\$11,332

14.235 Supportive Housing Program \$6,231

Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant #IL0367B5T030901 (1/11-12/11)	\$0
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant #IL0367B5T031002 (1/12-12/12)	\$6,231

U.S. DEPT. OF TRANSPORTATION

20.205 FHWA Highway Planning and Construction \$599,778

Regional Planning Commission	IL Dept. of Transportation Grant #12T0004 (7/11-6/12)	\$170,836
------------------------------	----------------------------------------------------------	-----------

(Continued on next page.)

U.S. DEPT. OF TRANSPORTATION (continued)

COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2012

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
20.205 FHWA Highway Planning and Construction (continued)		
Regional Planning Commission	IL Dept. of Transportation Grant #13T009 (7/12-6/13)	\$243,038
Regional Planning Commission	IL Dept. of Transportation Signal Retiming Grant #HSIP-0019(129) (1/10-1/13)	\$21,661
Regional Planning Commission	IL Dept. of Transportation Illinois Modeling Initiative #SPR-PL-3000(47) (11/11-11/13)	\$40,243
Regional Planning Commission	IL Dept. of Transportation Grant #IL-BOB-59	\$124,000
20.509 FTA Formula Grants for Other Than Urbanized Areas		\$298,841
Regional Planning Commission	IL Dept. of Transportation Human Services Transportation #10BOB137 (11/11-9/12)	\$108,038
Regional Planning Commission	IL Dept. of Transportation not yet assigned (7/12-6/13)	\$130,618 (to subrecipients- \$130,618)
Regional Planning Commission	IL Dept. of Transportation Rural Mass Transit Grant #4189 (7/11-6/12)	\$60,185 (to subrecipients- \$60,185)
20.505 FTA Metropolitan Transportation Planning		\$206,808
Regional Planning Commission	IL Dept. of Transportation Grant #13T009 (7/12-6/13)	\$60,760
Regional Planning Commission	IL Dept. of Transportation Grant #12T0004 (7/11-6/12)	\$37,509
Regional Planning Commission	IL Dept. of Transportation University of IL Traffic Circulation Study #0257 (8/11-1/14)	\$97,373
Regional Planning Commission	IL Dept. of Transportation Grant#IL-80-0001 (10/11-9/12)	\$11,166
20.521 New Freedom Program		\$14,537
Regional Planning Commission	IL Dept. of Transportation Bus Facilities Study Grant #4210 (7/11-6/14)	\$14,537
20.703 Hazard Materials Training Plan		\$1,104
Emergency Management Agency	IL Dept of Transportation HMTP grant (10/1/11-9/30/12)	\$1,104

(Continued on next page.)

COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2012

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
----------------------------------------------------------------------	-------------------------------------------------------	-------------------------

U.S. DEPT. OF AGRICULTURE

10.558 Child and Adult Care Food Program		\$279,526
-------------------------------------------------	--	------------------

Regional Planning Comm.--Head Start Fund	IL State Board of Education Grant #09-010-043P-00	\$279,526
------------------------------------------	------------------------------------------------------	-----------

10.555 National School Lunch Program		\$15,906
---------------------------------------------	--	-----------------

Juvenile Detention Center	IL State Board of Education Grant #09-010-043P-00	\$15,906
---------------------------	------------------------------------------------------	----------

10.553 National School Breakfast Program		\$9,213
-------------------------------------------------	--	----------------

Juvenile Detention Center	IL State Board of Education Grant #09-010-043P-00	\$9,213
---------------------------	------------------------------------------------------	---------

U.S. DEPT. OF HOMELAND SECURITY

97.042 Emergency Management Performance Grant		\$60,651
------------------------------------------------------	--	-----------------

Emergency Management Agency	IL Emergency Management Agency (10/10 - 9/11)	\$4,611
Emergency Management Agency	IL Emergency Management Agency (10/11 - 9/13)	\$56,040

U.S. DEPT. OF JUSTICE

16.575 Crime Victim Assistance		\$71,528
---------------------------------------	--	-----------------

State's Attorney--Victim Advocacy Fund	IL Criminal Justice Information Authority Grant #209278 (10/11-9/12)	\$28,677
----------------------------------------	-------------------------------------------------------------------------	----------

State's Attorney--Victim Advocacy Fund	IL Criminal Justice Information Authority Grant #212078 (10/12-9/13)	\$6,197
----------------------------------------	-------------------------------------------------------------------------	---------

Child Advocacy Center	IL Criminal Justice Information Authority Grant #210216 (3/11-2/12)	\$10,449
-----------------------	------------------------------------------------------------------------	----------

Child Advocacy Center	IL Criminal Justice Information Authority Grant #211216 (3/12-6/13)	\$26,205
-----------------------	------------------------------------------------------------------------	----------

16.579 Byrne Memorial Anti-Drug Abuse Formula Grant		\$40,000
------------------------------------------------------------	--	-----------------

State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract (10/11-9/12)	\$33,333
------------------	------------------------------------------------------------------	----------

State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract (10/12-9/13)	\$6,667
------------------	------------------------------------------------------------------	---------

(Continued on next page)

COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2012

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
----------------------------------------------------------------------	-------------------------------------------------------	-------------------------

U.S. DEPT. OF JUSTICE (continued)

16.738 Byrne Memorial Justice Assistance Grant		\$5,694
-------------------------------------------------------	--	----------------

Sheriff	City of Champaign #2011-H4049-IL-DJ (2011-2012)	\$5,694
---------	----------------------------------------------------	---------

16.758 Improving the Investigation and Prosecution of Child Abuse		\$10,051
--------------------------------------------------------------------------	--	-----------------

Child Advocacy Center	National Children's Alliance Program Support #CHAM-IL-SA11 (1/11-12/11)	\$846
-----------------------	----------------------------------------------------------------------------	-------

Child Advocacy Center	National Children's Alliance Program Support #CHAM-IL-SA12 (1/12-12/12)	\$9,205
-----------------------	----------------------------------------------------------------------------	---------

16.523 Juvenile Accountability Block Grant		\$1,000
---------------------------------------------------	--	----------------

Court Svces--Juv. Info. Sharing System Fund	IL Criminal Justice Information Authority Grant #508005 (5/12-11/12)	\$1,000
---------------------------------------------	-------------------------------------------------------------------------	---------

16.585 Drug Court Grant		\$77,692
--------------------------------	--	-----------------

Mental Health	U.S. Dept. of Justice Drug Court Grant#2011DCBX0127 (10/11-9/13)	\$77,692
---------------	---------------------------------------------------------------------	----------

U.S. ELECTION ASSISTANCE COMMISSION

90.401 Help America Vote Act Requirements Payments		\$127,258
-----------------------------------------------------------	--	------------------

County Clerk--Election Assistance Fund	IL State Board of Elections Phase III HAVA Requirements Grant (7/09-11/12)	\$127,258
----------------------------------------	-------------------------------------------------------------------------------	-----------

93.617 Voting Access for Individuals wth Disabilities-VAID IV		\$2,576
----------------------------------------------------------------------	--	----------------

County Clerk-Election Assistance Fund	IL State Board of Elections Voting Access/Disabled Grant (5/11-12/12)	\$2,576
---------------------------------------	--------------------------------------------------------------------------	---------

U.S. DEPT. OF LABOR

17.259 WIA Youth Activities		\$153,319
------------------------------------	--	------------------

Workforce Development	U.S. Dept. of Labor Grant #12-681017 (10/12-6/14)	\$153,319 (to subrecipients-- \$71,473)
-----------------------	------------------------------------------------------	--------------------------------------------

17.258 WIA Adult Program		\$94,774
---------------------------------	--	-----------------

Workforce Development	U.S Dept. of Labor #12-681017 (10/12-6/14)	\$94,774
-----------------------	-----------------------------------------------	----------

(Continued on next page)

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2012

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPT. OF LABOR (continued)		
17.278 WIA Dislocated Worker		\$69,077
Workforce Development	U.S. Dept. of Labor #12-681017 (10/12-6/14)	\$69,077
U.S. ENVIRONMENTAL PROTECTION AGENCY		
66.432 State Public Water System Supervision Program		\$991
County Public Health Board	IL Dept. of Public Health #25380231 (10/11-9/12)	\$833 (to subrecipients-- \$833)
County Public Health Board	IL Dept. of Public Health #35382009A (10/12-9/13)	\$158 (to subrecipients-- \$158)
TOTAL FEDERAL AWARDS		<u><u>\$15,197,817</u></u>

Notes:

Accounting policy for this schedule: Federal award expenditures are reported on a modified accrual basis in the period when incurred.

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Champaign County Board
Champaign County, Illinois
Urbana, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Champaign County, Illinois (County) as of and for the year ended November 30, 2012, and have issued our report thereon dated October 21, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Champaign County, Illinois is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Champaign County, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Champaign County, Illinois in a separate letter dated October 21, 2013.

This report is intended solely for the information and use of the County Board, Finance Committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Clifton Larson Allen LLP". The signature is written in a cursive, flowing style.

Champaign, Illinois
October 21, 2013

Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Champaign County Board
Champaign County, Illinois
Urbana, Illinois

Compliance

We have audited the compliance of Champaign County, Illinois (County) with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2012. Champaign County, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Champaign County, Illinois' management. Our responsibility is to express an opinion on Champaign County, Illinois' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Champaign County, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Champaign County, Illinois' compliance with those requirements.

In our opinion, Champaign County, Illinois complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Findings 2012-1, 2012-2 and 2012-3.

Internal Control Over Compliance

The management of Champaign County, Illinois is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Champaign County, Illinois' internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the County's internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as Findings 2012-1, 2012-2 and 2012-3. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention of those charged with governance.

Champaign County, Illinois' responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Champaign County, Illinois' responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the County Board, Finance Committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Clifton Larson Allen LLP". The signature is written in a cursive, flowing style.

Champaign, Illinois
October 21, 2013

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2012**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified
 Internal control over financial reporting:
 • Material weaknesses identified? Yes No
 • Significant deficiency identified that is not considered to be a material weakness? Yes None reported
 Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:
 • Material weaknesses identified? Yes No
 • Significant deficiencies identified that are not considered to be material weaknesses? Yes None reported
 Type of auditor's report issued on compliance for major programs: unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
81.042	ARRA Weatherization Assistance for Low Income Persons
93.600	Head Start Fund
81.128	ARRA Energy Efficiency and Conservation Block Grant Program
93.104	Community Mental Health Services for Children With Serious Emotional Disturbances
93.568	Low-Income Home Energy Assistance

Dollar threshold used to distinguish between type A and type B programs: \$455,935

Auditee qualified as low-risk auditee? Yes No

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2012**

Section II - Financial Statement Findings

NONE.

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2012**

Section III - Federal Award Findings and Questioned Costs

**FINDING NO. 2012-1 ALLOWABLE COST CONTROLS - COMMUNITY MENTAL HEALTH
SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL
DISTURBANCES**

Federal Agency/Program: U.S. Department of Health and Human Services –CFDA #93.104
– Community Mental Health Services for Children with Serious
Emotional Disturbances; Passed-through Illinois Department of
Human Services (IDHS)
Questioned Costs: \$150.27

Criteria or Specific Requirement: Applicable allowable cost compliance requirements state that interest and late fees are not an allowable cost.

Condition: During our audit testing, we noted credit card interest and other late fees paid with federal funding.

Context: This was noted in three of the sixty disbursements tested during the audit (\$68.46). Additional interest and late fees were paid at other times, for a total of \$150.27 for fiscal year ended November 30, 2012.

Effect: Lack of proper controls over allowable costs can lead to questioned costs and amounts due back to federal agencies.

Cause: The requisition and verification process for bill payments makes timely payment a persistent problem, which results in interest due on late credit card payments and other late fees on bills.

Recommendation: We recommend the employees reviewing and approving disbursements review the applicable allowable costs circular to ensure only allowable costs are approved and paid from federal resources.

Views of Responsible Officials and Planned Corrective Action: The Executive Director has continued to reinforce with staff the need to address compliance with this requirement. This Project (i.e., cooperative agreement) will end on September 30, 2015. In the interim, the project will be winding down and this will significantly reduce the variables which have made it difficult to comply with this requirement.

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2012**

Section III - Federal Award Findings and Questioned Costs

**FINDING NO. 2012-2 PROPER CONTROL OVER CASH MANAGEMENT - COMMUNITY
MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS
EMOTIONAL DISTURBANCES**

Federal Agency/Program: U.S. Department of Health and Human Services –CFDA #93.104
– Community Mental Health Services for Children with Serious
Emotional Disturbances; Passed-through Illinois Department of
Human Services (IDHS)
Questioned Costs: None noted

Criteria or Specific Requirement: Cash management compliance requirements state if federal funds are received in advance, the grantee must establish procedures with the pass-through entity (IDHS) to minimize the time between the transfer of federal funds and the disbursement of funds for program purposes.

Condition: During our audit testing, we noted there was not a process in place to minimize the time lapsing between the receipt of federal funds and disbursements for program purposes.

Context: This was noted in one of the four receipts of funds during the fiscal year.

Effect: Excess cash was on hand for an extended period of time.

Cause: This was a new program in fiscal year 2010 with large amounts received in advance for start-up costs and since then the program has continued to receive large amounts that are in excess of what it has disbursed. Per County personnel, they had no notice from IDHS when funding would be received prior to its receipt or explanation of the amount received. Per County personnel, they were concerned about returning excess funding to the State, as they knew they would need it for future expenses. They were aware of the excess cash and did properly track interest earned on the funds. The County does not have the ability to advance money to the program if cash flow runs low.

Recommendation: We recommend the County work with IDHS to develop a formal process to minimize the time elapsing between the transfer of funds and disbursement of funds for program purposes.

Views of Responsible Officials and Planned Corrective Action: The Executive Director will discuss this problem with the Illinois Department of Human Services (IDHS) contract monitor and will recommend that we closely watch this problem and to the extent possible, request that payments be directly tied to the monthly reimbursement reports.

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2012**

Section III - Federal Award Findings and Questioned Costs

**FINDING NO. 2012-3 PROPER CONTROL OVER REPORTING - COMMUNITY MENTAL
HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL
DISTURBANCES**

Federal Agency/Program: U.S. Department of Health and Human Services –CFDA #93.104
– Community Mental Health Services for Children with Serious
Emotional Disturbances; Passed-through Illinois Department of
Human Services (IDHS)
Questioned Costs: None noted

Criteria or Specific Requirement: The reporting requirements outlined in the OMB Circular A-133 Compliance Supplement indicate that financial reports are to be complete and supported by accurate accounting records. The Department of Human Services requires all monthly reports be filed within thirty days of the month end.

Condition: During our audit testing, we noted monthly financial reports were not submitted timely and program income was incorrectly recorded.

Context: This was noted in two of the four monthly report submissions tested during the audit.

Effect: Lack of proper controls over reporting compliance requirements can lead to errors in reporting.

Cause: This was an oversight by the Program Manager responsible for reviewing and submitting the monthly reports.

Recommendation: We recommend the County establish review procedures over its monthly financial reports prior to submission to ensure their accuracy, timeliness and compliance with reporting requirements.

Views of Responsible Officials and Planned Corrective Action: The Executive Director has met with the staff responsible for submission of the monthly reimbursement forms and has reinforced to need to assure timely submission of required forms and documents.

CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS
Year Ended November 30, 2012

YEAR ENDED NOVEMBER 30, 2011

**FINDING NO. 2011-1 ALLOWABLE COST CONTROLS -
COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN
WITH SERIOUS EMOTIONAL DISTURBANCES**

Condition: During our audit testing, we noted credit card interest paid with federal funding.

Condition still exists.

**FINDING NO. 2011-2 PROPER CONTROL OVER MATCHING -
COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN
WITH SERIOUS EMOTIONAL DISTURBANCES**

Condition: During our audit testing, we noted there were instances when the County match was not properly calculated and reported.

No instances were noted during current year's testing.

**FINDING NO. 2011-3 PROPER CONTROL OVER CASH MANAGEMENT -
COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN
WITH SERIOUS EMOTIONAL DISTURBANCES**

Condition: During our audit testing, we noted there was not a process in place to minimize the time lapsing between the receipt of federal funds and disbursements for program purposes.

Condition still exists.